



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

FEB 03 2004

51-974
Johnson

REPLY TO THE ATTENTION OF

B-19J

Phillis Johnson-Ball
Environmental Project Manager
Section of Environmental Analysis
Case Control Unit
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Re: Docket No. 34424, *Canadian National Railway Company and Grand Trunk Corporation Control Acquisition*

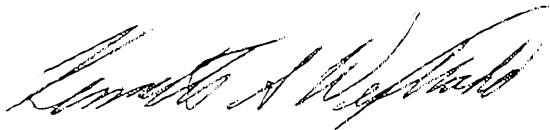
Dear Ms. Johnson-Ball:

In accordance with the National Environmental Policy Act (NEPA), Section 309 of the Clean Air Act, and the Council on Environmental Quality's implementing regulations (40 CFR 1500-1508), the U.S. Environmental Protection Agency (U.S. EPA) has reviewed the supplement to the Environmental Appendix offered by Canadian National Railway Company (CN). The supplement addresses issues raised by the United States Department of Transportation and the U.S. EPA concerning CN's control acquisition of Duluth, Missabe and Iron Range Railway Company.

Pursuant to a review of the supplement submitted by counsel for CN, the U.S. EPA agrees with the conclusions of the Surface Transportation Board (STB) that further environmental review is not required. We feel our questions regarding noise impacts, environmental justice communities, grade crossing safety and delays, and consultation with the State Historic Preservation Officer to fulfill the requirements of the National Historic Preservation Act were adequately answered. The STB will retain provisions in its final decision for CN or its consultant to continue discussions with the Minnesota Department of Transportation regarding grade crossing protection and with the Advisory Council on Historic Preservation regarding possible effects on historic properties arising from the proposed transaction. The results of these discussions will be conveyed to the STB.

Thank you for the opportunity to review this document. We look forward to receiving a copy of the STB's final decision. Should you have any questions, please do not hesitate to contact me or Kathleen Kowal of my staff at (312) 353-5206 or via email at kowal.kathleen@epa.gov.

Sincerely,



Kenneth A. Westlake, Chief
Environmental Planning and Evaluation Branch

cc: Paul A. Cunningham, Attorney for Canadian National Railway Company